

The
**WALTON FAMILY
FOUNDATION**

| P.O. Box 2030 | Bentonville | AR 72712-2030

June 17, 2013

Matt Kramer
Co-CEO
Teach for America
315 West 36th Street, 7th Floor
New York, NY 10018

Re: Grant #2013-391

Dear Mr. Kramer,

It is my pleasure to inform you that The Walton Family Foundation, Inc. ("WFF"-the "Foundation") has approved a two-year grant of up to \$20,664,000.00 to Teach for America ("TFA" the "Grantee"). This grant is subject to the following terms and conditions:

1. **Purpose:** The purpose of the grant is to support corps members (CMs) in nine targeted WFF communities: DC, Denver, Detroit, Indianapolis, Los Angeles, Memphis, Milwaukee, New Orleans, and Newark.

Through this grant, TFA will:

- 1) Supply effective teachers for traditional district and public charter schools in low-income communities in investment sites; and
- 2) Generate a longer-term leadership pipeline that advances the education movement, providing a source of talent for policy, advocacy and politics, as well as quality schools and new entrepreneurial ventures.

This grant supports each TFA region based on actual CM placements: \$6,000 per CM per year in public charter schools; and \$4,000 per CM per year in traditional school districts.

This grant is more fully described in Grantee's proposal dated February 27, 2013. Grantee agrees to use all grant funds exclusively for the grant's purposes. Any changes in these purposes must be authorized in advance by the Foundation in writing.

2. **Amount: Up to Twenty Million Six Hundred Sixty Four Thousand Dollars (\$20,664,000.00.)**
Year One November 15, 2013 up to \$8,902,000.00
Year Two November 15, 2014 up to \$11,762,000.00

3. **Payable:** Initial payment of up to \$8,902,000.00 shall be payable November 15, 2013, subject to receipt of a copy of this letter from Grantee acknowledging the terms and conditions set forth herein, as well as documentation from TFA showing the number of CMs placed in each region.

The second installment of up to \$11,762,000.00 shall be payable contingent upon the Foundation's approval of the Grantee's activities as evidenced by the reports described in paragraph 5) below and other

information the Foundation may gather, as well as documentation from TFA showing the number of CMs placed in each region.

Region	November 2013 Projected Payout	November 2014 Projected Payout
Colorado	\$790,000	\$664,000
DC	\$786,000	\$650,000
Detroit	\$750,000	\$1,930,000
Indianapolis	\$870,000	\$1,124,000
Los Angeles	\$1,924,000	\$2,136,000
Memphis	\$822,000	\$1,892,000
Milwaukee	\$568,000	\$816,000
New Orleans	\$1,492,000	\$1,522,000
Newark	\$900,000	\$1,028,000
Total	\$8,902,000	\$11,762,000

4. **Accounting:** (a) The Foundation encourages, whenever feasible, the deposit of grant funds in an interest-bearing account. For purposes of this letter, the term "grant funds" includes the grant and any income earned thereon.

(b) Grantee will maintain records of receipts and expenditures made in connection with the grant funds and will keep these records during the period covered by the Grantee's reporting obligations specified in paragraph 5 and for at least four years thereafter ("Maintenance Period"). Grantee will make its books and records in connection with the grant funds available for inspection by the Foundation during normal business hours as the Foundation may request at any time during the Maintenance Period.

5. **Reporting and Evaluation:** Grantee will submit interim financial and narrative reports by October 30, 2013 and October 30, 2014. Grantee will submit a final financial and narrative report by May 31, 2015. The Foundation will provide a customized financial reporting template at least six weeks prior to the report deadline. Grantee will also provide the Foundation with its latest financial statements and audits.

Grantee will provide a Performance Measures report with each financial and narrative report. Foundation staff will evaluate the effectiveness of Grantee's performance through internal review of progress made against the performance measures covered in Appendix 1. The Foundation will provide a customized performance-measure template at least six weeks prior to the report deadline.

All reports will be sent electronically to EdReform@wffmail.com. Please reference Grant # 2013-391 on all reports submitted.

Grantee payments are always contingent upon the Foundation's approval of Grantee's operations based on the above reports and the Foundation's satisfaction with such information as it chooses to obtain from other sources.

6. **Representations:** Grantee represents and warrants to the Foundation that:

(a) Grantee is an organization in good standing, is either an organization described in section 501(c)(3) of the Internal Revenue Code ("Code") or a governmental unit, and is not a "private foundation" described in section 509(a) of the Code. Grantee will promptly notify the Foundation of any change in Grantee's tax status under the Code.

- (b) In no event will Grantee use any grant funds:
- (i) to carry on propaganda, or otherwise to attempt, to influence legislation;
 - (ii) to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive; or
 - (iii) to undertake any activity other than for a charitable, educational or other exempt purpose specified in section 170(c)(2)(B) of the Code.
- (c) Grantee will comply with all applicable laws and regulations.
7. **Repayment:** The Foundation may discontinue any further payments to Grantee, and may direct Grantee to repay any unexpended grant funds to the Foundation, if any of the following events occurs:
- (i) Grantee ceases to maintain its tax-exempt status as described in paragraph 6(a) above;
 - (ii) Grantee fails to comply with the terms of this letter; or
 - (iii) There is a material change in Grantee's key personnel that in the sole opinion of the Foundation adversely affects Grantee's management of the grant.

8. **Release and Indemnity:** Unless prohibited by law, Grantee shall release, indemnify, defend and hold harmless the Foundation and its directors, officers, employees and agents from and against any and all claims, actions, suits, demands, damages, losses, expenses and liabilities, arising out of or related in any way to the actions or omissions of Grantee (or its directors, officers, employees, agents or contractors) in connection with the Grant and the project funded by the Grant, except to the extent caused by the Foundation's (or its directors, officers, employees or agents') negligent actions or omissions. Grantee further agrees to carry insurance in such forms and amounts as are commercially reasonable and appropriate to cover Grantee's operations and to enable Grantee to indemnify and defend the Foundation as provided hereunder.

9. **Grant Publicity:** Grant publicity related to this grant consistent with Grantee's normal practice is permitted, subject to the following provisions. The Foundation expects any announcements and other publicity to focus on Grantee's work and the project or issue funded by the grant. Recognition of the Foundation's role in funding the project is permitted, provided that the timing, content and strategic focus of such publicity should be approved by the Foundation by sending a request to: EdReform@wffmail.com. Please reference Grant #2013-391. Publicizing the grant and the Foundation in Grantee's publications and communications in a manner consistent with similar grants obtained by Grantee is permitted.

The Foundation may ask Grantee to provide illustrations, photographs, videos, recordings, information or other materials related to the grant (collectively "Grant Work Product") for use in Foundation communications including the Foundation's website, annual report, newsletters, board materials, presentations, communications and other publications. Grantee agrees to provide the Foundation with such items upon the Foundation's reasonable request and hereby grants to the Foundation and anyone acting under the authority of the Foundation a fully paid-up, world-wide, right

and license to use, reproduce, display and distribute the Grant Work Product in connection with the Foundation's charitable operations and activities. In connection therewith, Grantee shall be responsible for obtaining all necessary rights and permissions from third parties for the Foundation to use the Grant Work Product for these purposes. By signing this Agreement, Grantee also acknowledges and agrees to use by the Foundation of historical, programmatic and other information relating to Grantee and the grant hereunder.

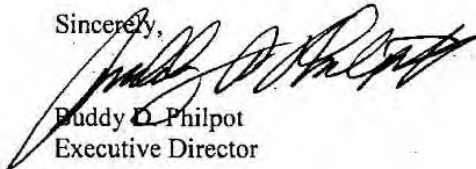
10. **Gratuities:** The Foundation desires that all of Grantee's resources be dedicated to accomplishing its philanthropic purposes. Therefore, Grantee agrees that it will not furnish the Foundation or its Board of Directors, officers, staff or affiliates with any membership, commemorative items, recognition plaques or gratuities or benefits of any kind.

11. **Contact:** If you need to contact the Foundation about your grant, please email EdReform@wffmail.com. Please reference Grant #2013-391 in your communication.

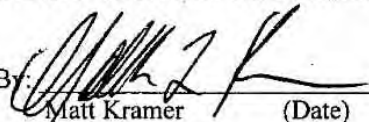
We have enclosed two original grant letters. Please sign one copy as Grantee's acknowledgment of the terms and conditions herein stated and return it to me in the enclosed self addressed envelope. If the signed acknowledgment of this letter is not received in the Foundation's office by July 15, 2013, the Foundation will consider the Grantee to have declined the grant.

On behalf of the Foundation, I extend every good wish for the success of your organization's endeavors.

Sincerely,


Buddy D. Philpot
Executive Director

ACKNOWLEDGED AND AGREED

By:  6/28/13
Matt Kramer (Date)
Teach for America

REL 000714

Appendix 1: Teach For America Grant Goals

The table below summarizes a common set of metrics across regions. Please note that “percentage benchmark achieved,” a measure of CM impact, represents CMs’ student academic outcomes relative to the performance of a teacher at the 75th percentile within a region. Fundraising goals may exceed or fall short of the budget indicated in Section 1, because some regions seek funds for an operating reserve or are subsidized by TFA National depending on the region’s stage of development. TFA will also report on CM diversity, retention in education, and corps culture, but these will not be tracked as performance measures.

Colorado		Baseline	FY2014	FY2015
Placements	Public Charter Placements	88	87	68
	Traditional District Placements	92	67	64
CM Impact	% Benchmark Achieved (1st years)	101%	102%	102%
	% Benchmark Achieved (2nd years)	105%	106%	108%
Alumni	Total # Local Alumni	580	900	1100
	Total # of School Leaders (# of new principals)	23	34 (14)	40 (10)
	Leadership for Educational Equity members: % alumni	55%	60%	60%
Fundraising	Fundraising Goal	\$10,248,750	\$10,746,250	\$12,128,750
DC				
Placements	Public Charter Placements	88	65	55
	Traditional District Placements	120	99	80
CM Impact	% Benchmark Achieved (1st years)	70%	72%	75%
	% Benchmark Achieved (2nd years)	85%	87%	88%
Alumni	Total # Local Alumni	1870	2160	2400
	Total # of School Leaders (# of new principals)	38 (6)	44 (10)	47 (8)
	Leadership for Educational Equity members: % alumni	53%	55%	TBD
Fundraising	Fundraising Goal	\$5,500,000	\$8,200,000	\$9,000,000
Denver				
Placements	Public Charter Placements	96	125	165
	Traditional District Placements	197	0	235
CM Impact	% Benchmark Achieved (1st years)	86%	87%	88%
	% Benchmark Achieved (2nd years)	92%	93%	94%
Alumni	Total # Local Alumni	400	470	555
	Total # of School Leaders (# of new principals)	13 (10)	13 (10)	18 (5)
	Leadership for Educational Equity members: % alumni	50%	50%	60%
Fundraising	Fundraising Goal	\$5,500,000	\$10,400,000	\$11,057,000
Indianapolis				
Placements	Public Charter Placements	112	145	152
	Traditional District Placements	34	0	53
CM Impact	% Benchmark Achieved (1st years)	96	97	98
	% Benchmark Achieved (2nd years)	104	105	106
Alumni	Total # Local Alumni	255	305	360
	Total # of School Leaders (# of new principals)	13 (5)	21 (9)	30 (10)
	Leadership for Educational Equity members: % alumni	70%	80%	80%
Fundraising	Fundraising Goal	\$2,264,000	\$5,557,950	\$7,267,500